

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 11396 01 OF 02 251028Z
ACTION EB-08

INFO OCT-01 AF-10 ARA-10 EUR-12 EA-10 IO-13 ISO-00
SP-02 ICA-11 AID-05 NSC-05 TRSE-00 SS-15 STR-07
OMB-01 CEA-01 L-03 H-01 PA-01 FRB-03 ITC-01
AGRE-00 CIAE-00 COME-00 INR-10 LAB-04 NSAE-00
OIC-02 SIL-01 OPIC-03 INT-05 /145 W
-----045923 251228Z /53

R 251021Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC 2477
INFO ALL OECD CAPITALS
AMEMBASSY BELGRADE
AMEMBASSY BRASILIA
AMEMBASSY BUDAPEST
AMEMBASSY BUENOS AIRES
AMEMBASSY JAKARTA
AMEMBASSY KINSHASA
AMEMBASSY KUALA LUMPUR
AMEMBASSY LIMA
AMEMBASSY LUSAKA
AMEMBASSY MANILA
AMEMBASSY MEXICO
AMEMBASSY MOSCOW
AMEMBASSY PORT MORESBY
AMEMBASSY SANTIAGO
AMEMBASSY WARSAW
USMISSION USUN NEW YORK
USLO PEKING

LIMITED OFFICIAL USE SECTION 01 OF 02 GENEVA 11396

E.O. 11652: N/A
TAGS: UNCTAD
SUBJECT: UNCTAD COMMODITIES: FOURTH PREPARATORY MEETING
ON COPPER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 11396 01 OF 02 251028Z

REF: (A) GENEVA 9766, (B) GENEVA 10988 (NOTAL)

SUMMARY: THE FOURTH PREPARATORY MEETING ON COPPER ENDED
WITHOUT AGREEMENT FOR A CHARTER FOR AN INTERGOVERNMENTAL
COPPER ORGANIZATION. MEETING WAS MARKED BY PERUVIAN DRIVE,
PRIMARILY SUPPORTED BY VENEZUELA AND MEXICO, LATIN BLOC

AND GROUP D, TO UNDO AGREED CONCLUSIONS OF THE THIRD PREPARATORY, DISREGARD CHARTER PREPARED BY WORKING GROUP AND KEEP COPPER TALKS WITHIN UNCTAD. PERU AND ZAIRE TABLED SEPARATE PROPOSALS FOR CREATING A COPPER COMMITTEE UNDER UNCTAD AND A COPPER DIVISION WITHIN UNCTAD SECRETARIAT RESPECTIVELY. EC TABLED PROPOSAL TO STRENGTHEN LINK BETWEEN AUTONOMOUS COPPER ORGANIZATION ENVISAGED IN WORKING GROUP DRAFT CHARTER AND UNCTAD. MEETING ENDED WITH STRONG STATEMENTS BY NORDICS, EC, U.S., JAPAN, AUSTRALIA, CANADA, AND AUSTRIA CRITICIZING PERUVIAN TACTICS, AND LATIN AND GROUP D STATEMENTS DEFENDING ACTIONS IN NAME OF INTEGRITY OF UNCTAD AND INTEGRATED PROGRAM. MEMBERS AGREED TO CONTINUE NEGOTIATIONS IN A FIFTH PREPARATORY MEETING. MEETING IS TO BE SCHEDULED FOLLOWING CONSULTATIONS AMONG REGIONAL GROUPS BUT SEVENTEEN DEVELOPING AND GROUP D COUNTRIES LED BY PERU HAVE PETITIONED FOR AUGUST 21-25 DATE PRIOR TO TRADE AND DEVELOPMENT BOARD REGULAR SESSION. END SUMMARY.

1. THE FOURTH PREPARATORY MEETING ON COPPER WAS CONVENED IN GENEVA JULY 17-21 FOR THE SOLE PURPOSE OF CONSIDERING THE REPORT OF THE WORKING GROUP (WG) CREATED BY THE THIRD PREPARATORY MEETING TO PREPARE A "STANDING INTRA-GOVERNMENTAL COPPER BODY" (SEE REFTEL A). THE WG OF OVER 30 COUNTRIES HAD MET THREE TIMES AND HAD DRAFTED A VIRTUALLY COMPLETE CHARTER, ALBEIT LIBERALLY BRACKETED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 11396 01 OF 02 251028Z

AND WITH A GENERAL RESERVATION BY PERU AND VENEZUELA. CHIEF BONE OF CONTENTION WAS ISSUE OF LINKAGE, I.E., WHETHER COPPER BODY WAS TO BE INSTITUTIONALLY AND OPERATIONALLY INDEPENDENT OF UNCTAD ALBEIT WITH A WORKING RELATIONSHIP TO THE SECRETARIAT STAFF. SECOND MAJOR ISSUE WAS DURATION, I.E., WHETHER COPPER BODY WAS TO BE GIVEN INDEFINITE TERM OR SOME SORT OF INTERIM STATUS. AS OF END OF WG'S WORK, PERU WAS VIRTUALLY ISOLATED AMONG PRODUCERS AND COULD RELY ONLY ON SUPPORT OF A GROUP OF LATINS WITH MARGINAL INTEREST IN COPPER PRODUCTION OR CONSUMPTION.

2. SUBSEQUENTLY, HOWEVER, AMBASSADOR ARIAS-SCHREIBER OF PERU HAD USED HIS POSITION AS G-77 COORDINATOR ON COPPER AT 6TH ASESSION OF AD HOC INTERGOVERNMENTAL COMMITTEE (SEE REFTEL B) TO GOOD ADVANTAGE. HE HAD OBTAINED G-77 COMMITMENT TO PROPOSITION THAT AGREEMENT TO AN AUTONOMOUS COPPER BODY WOULD FATALLY UNDERMINE ALL OTHER G-77 OBJECTIVES IN INTEGRATED PROGRAM (IPC). THIS FORCED G-77 MODERATES ON COPPER (INDONESIA, ZAMBIA) AND THE FENCE SITTERS (ZAIRE, PHILIPPINES, BRAZIL, SOME EASTERN EUROPEANS) TO JOIN HIS CORE GROUP OF LATINS IN ATTEMPT TO UN-

RAVEL THE AGREEMENT AT THE THIRD PREPARATORY AND TO KILL
THE DRAFT CHARTER PREPARED BY THE WG. EVEN CHILE WAS
FORCED TO PAY LIP SERVICE. ONLY LOSS TO ARIAS-SCHREIBER
SEEMS TO HAVE BEEN ALIENATION, POSSIBLY ONLY TEMPORARY,
OF THE NORDICS.

3. USING AND OFTEN FLAUNTING THIS RELUCTANT BUT HAPLESS
GROUP OF ALLIES TO THE HILT, PERU, MEXICO AND VENEZUELA
MOUNTED A FILIBUSTER IN PUBLIC PLENARY SESSION THAT PRE-
VENTED ANY DIALOGUE AT ALL ON WG'S DRAFT CHARTER. THIS
GROUP BLOCKED CONVENING OF COMMITTEE OF THE WHOLE IN
CLOSED SESSION (CONTACT GROUP) UNTIL THIRD DAY OF FIVE DAY
MEETING AND DISRUPTED ATTEMPT BY PRODUCERS AND CONSUMERS
TO INSTITUTE PRIVATE CAUCUSES, BOTH FIRMLY ESTABLISHED
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 11396 01 OF 02 251028Z

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 11396 02 OF 02 251033Z
ACTION EB-08

INFO OCT-01 AF-10 ARA-10 EUR-12 EA-10 IO-13 ISO-00
SP-02 ICA-11 AID-05 NSC-05 TRSE-00 SS-15 STR-07
OMB-01 CEA-01 L-03 H-01 PA-01 FRB-03 ITC-01
AGRE-00 CIAE-00 COME-00 INR-10 LAB-04 NSAE-00
OIC-02 SIL-01 OPIC-03 INT-05 /145 W
-----045961 251228Z /53

R 251021Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC 2478
INFO ALL OECD CAPITALS
AMEMBASSY BELGRADE
AMEMBASSY BRASILIA
AMEMBASSY BUDAPEST
AMEMBASSY BUENOS AIRES
AMEMBASSY JAKARTA
AMEMBASSY KINSHASA
AMEMBASSY KUALA LUMPUR
AMEMBASSY LIMA
AMEMBASSY LUSAKA
AMEMBASSY MANILA

AMEMBASSY MEXICO
AMEMBASSY MOSCOW
AMEMBASSY PORT MORESBY
AMEMBASSY SANTIAGO
AMEMBASSY WARSAW
USMISSION USUN NEW YORK
USLO PEKING

LIMITED OFFICIAL USE SECTION 02 OF 02 GENEVA 11396

PROCEDURES IN COMMODITY MEETINGS. PERU INSISTED INSTEAD THAT A MEETING BE SCHEDULED FOR THOSE SUPPORTING THE PERUVIAN PROPOSAL.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 11396 02 OF 02 251033Z

4. NEW PROPOSALS. EARLY IN THE MEETING, PERU INTRODUCED A NEW PROPOSAL WHICH, IN EFFECT, WOULD HAVE CONTINUED THE SERIES OF UNCTAD PREPARATORY MEETINGS ON COPPER UNDER THE GUISE OF A NEW UNCTAD COMMITTEE ON COPPER. EC TABLED COMPROMISE PAPER STRENGTHENING LINK TO UNCTAD CONTAINED IN WORKING GROUP CHARTER AND PROVIDING THAT NEW BODY WOULD BE ESTABLISHED FOR THREE YEARS. PERU AND SUP-PORTERS REGARDED EC COMPROMISE AS "GROSSLY INADEQUATE". LATER IN WEEK, ZAIRE INTRODUCED VARIANT TO PERU PROPOSAL WHICH PROVIDED FOR A "SPECIAL COMMITTEE ON COPPER?; WITHIN UNCTAD, STAFFED BY "SPECIAL ADVISORY DEPARTMENT" SET UP PARALLEL TO UNCTAD COMMODITY DIVISION BUT WITH SOME OPERATIONAL AUTONOMY. PERU SOUGHT TO MAKE ZAIRE PROPOSAL CENTERPIECE FOR FUTURE PLENARY WORK WHILE MODERATE PRODUCING AND CONSUMING COUNTRIES EMPHASIZED NEED TO CONTINUE WORK ON BASIS OF DRAFT CHARTER PROPOSED BY WORKING GROUP. ALL PAPERS WILL BE ON THE TABLE FOR CON-SIDERATION AT NEXT PLENARY.

5. COMMENT: ALTHOUGH MEETING DID NOT BECOME FULL FLEDGED POLITICAL CONFRONTATION, THAT RESULT WAS ONLY NARROWLY AVERTED. FUTURE PRESSURES CAN BE EXPECTED TO BE EVEN MORE INTENSE, AS PERU SEEMS DETERMINED TO PRESS ON WITH ITS CAMPAIGN TO OVERTURN THE AGREED CONCLUSIONS AT THE THIRD PREPARATORY AND DERAIL WHAT APPEARED TO BE A MOVE BY THE MAJORITY TOWARD EARLY ESTABLISHMENT OF A NEW AUTONOMOUS COPPER BODY. PERU APPEARED TO BE TAKING COPPER AS A TEST CASE FOR THE IPC INSISTING THAT AUTONOMOUS BODIES OTHER THAN THOSE ASSOCIATED WITH STABILIZATION AGREEMENTS ARE NOT ENVISAGED UNDER RESOLUTION 93(IV). IN ADDITION, IT RECEIVED SUPPORT FROM THOSE IN THE G-77 WHO HAVE BEEN SEEKING TO TURN COMMODITY MEETINGS AWAY FROM PRODUCER-CONSUMER DIALOGUE TOWARD GROUP B - G-77 CONFRONTATION

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 11396 02 OF 02 251033Z

THEREBY FORCING DEVELOPED COUNTRY PRODUCERS (ESPECIALLY AUSTRALIA AND CANADA) INTO THE GROUP B CAMP. IT REMAINS TO BE SEEN IF THE SAME TACTIC IS FOLLOWED BY THE G-77 ON OTHER COMMODITIES ESPECIALLY IRON ORE, COTTON AND VEGETABLE OILS. PERU'S PLOY OF CALLING FOR AUG 21-25 MEETING, WHICH IT KNOWS WILL BE UNACCEPTABLE TO MOST DELEGATIONS, ESPECIALLY EC, APPEARS DESIGNED TO PROVIDE ADDITIONAL AMMUNITION FOR ATTACK ON DEVELOPED COUNTRIES DURING COURSE OF TDB SCHEDULED FOR AUG 28-SEPT 15. END COMMENT. VANDEN HEUVEL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, COMMITTEE MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA11396
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780304-0865
Format: TEL
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780724/aaaaaugz.tel
Line Count: 240
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 95c6676d-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 GENEVA 9766, 78 GENEVA 10988
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1899258
Secure: OPEN
Status: NATIVE
Subject: UNCTAD COMMODITIES: FOURTH PREPARATORY MEETING ON COPPER LIMITED OFFICIAL USE
TAGS: ETRD, UNCTAD
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/95c6676d-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014